



# Memorandum

**TO:** PLANNING COMMISSION

**FROM:** Stephen M. Haase

**SUBJECT:** SEE BELOW

**DATE:** September 4, 2002

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COUNCIL DISTRICT: 4

**SUBJECT: ANNUAL REVIEW OF A DEVELOPMENT AGREEMENT WITH 3COM CORPORATION REGARDING PROPERTY LOCATED ON THE SOUTHERLY SIDE OF STATE ROUTE 237, BETWEEN NORTH FIRST STREET AND ZANKER ROAD**

## BACKGROUND

A Development Agreement was approved by the City Council on August 5, 1997, with 3COM Corporation in conjunction with a Site Development Permit (File No. HSH 96-12-089) to facilitate vested development rights for a 2.2-million-square-foot office/research and development project on the southerly side of State Route 237, between North First Street and Zanker Road. A total of 600,000 square feet of building space has been constructed to date. A request to amend the Development Agreement was filed on July 16, 1999 and heard by the Planning Commission on March 14, 2000 and approved by City Council on March 21, 2000. That amendment extended the timeframe for implementation of the agreement to satisfy the occupation requirement for the subject property and expanded the agreement to include affiliates of 3Com or a new entity formed by 3Com. A subsequent amendment to further extend the timeframe and milestones of the agreement is currently pending City Council consideration of September 17, 2002.

The current Development Agreement, as required by City Ordinance, requires the Planning Commission to adopt a resolution, if applicable, upon a determination subsequent to a Compliance Review Hearing, that all terms and conditions of the agreement are in full compliance.

## ANALYSIS

A Site Permit Amendment (File No. HASH 96-05-089) was approved on November 2, 2000 to facilitate the development of the site by Palm, Inc. an entity formed by 3Com. Pursuant to the permit, development of the easterly "panhandle" end of the site, approximately 600,000 square feet, has been subsequently completed and occupied. This development represents a significant portion of the 1.1 million square feet allowed for this project.

**RECOMMENDATION**

Planning staff recommends that the Planning Commission adopt a resolution finding the developer in full compliance with the terms and conditions of this Development Agreement.

STEPHEN M. HAASE, DIRECTOR  
Planning, Building and Code Enforcement

c: Bob Bronstein, Mgr, World Wide Real Estate, 3Com Corp., 5400 Bayfront Plaza, MS 1220,  
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